

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	1,092.80	0.00	3.00	1,095.80	0.00	3.00	1,095.80	1,095.80
Personal Services	43,498,841	2,252,976	(481,843)	45,269,974	2,309,869	379,123	46,187,833	91,457,807
Operating Expenses	47,640,104	8,314,572	679,142	56,633,818	3,665,368	670,079	51,975,551	108,609,369
Equipment	324,500	0	0	324,500	0	0	324,500	649,000
Capital Outlay	50	0	0	50	0	0	50	100
Grants	0	0	0	0	0	0	0	0
Benefits & Claims	8,040,196	0	0	8,040,196	0	0	8,040,196	16,080,392
Transfers	0	0	0	0	0	0	0	0
Debt Service	224,949	0	0	224,949	0	0	224,949	449,898
<b>Total Costs</b>	<b>\$99,728,640</b>	<b>\$10,567,548</b>	<b>\$197,299</b>	<b>\$110,493,487</b>	<b>\$5,975,237</b>	<b>\$1,049,202</b>	<b>\$106,753,079</b>	<b>\$217,246,566</b>
General Fund	96,890,254	10,313,934	(1,362)	107,202,826	5,713,934	859,604	103,463,792	210,666,618
State/Other Special	1,668,004	488,127	98,661	2,254,792	485,321	89,598	2,242,923	4,497,715
Federal Special	750,280	(353,227)	100,000	497,053	(353,227)	100,000	497,053	994,106
Proprietary	420,102	118,714	0	538,816	129,209	0	549,311	1,088,127
NonExpendable Trust	0	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$99,728,640</b>	<b>\$10,567,548</b>	<b>\$197,299</b>	<b>\$110,493,487</b>	<b>\$5,975,237</b>	<b>\$1,049,202</b>	<b>\$106,753,079</b>	<b>\$217,246,566</b>

### Agency Description

The Department of Corrections (DOC), authorized in section 2-15-2301, MCA, is directed in section 53-1-201, MCA, to "utilize at maximum efficiency the resources of state government in a coordinated effort to: 1) develop and maintain comprehensive services and programs in the field of adult and youth corrections; and 2) provide for the care, protection, and mental and physical development of youth alleged to be youth in need of supervision or delinquent youth who are referred or committed to the department."

The department's five programs are:

- Administration and Support Services - Consists of the Director's Office (training, internal audit, victims information, policy, and investigation), Centralized Services Division (accounting, budgeting, legal services, human resources, automation technology, statistics), and the administratively attached Board of Pardons
- Community Corrections - Includes probation and parole, adult prerelease programs, adult boot camp, and alcohol treatment facility
- Secure Custody - Includes the Montana State Prison (MSP) in Deer Lodge, the Montana Women's Prison (MWP) in Billings, and contract bed facilities
- Correctional Enterprises - Includes the ranch and prison industries programs
- Juvenile Corrections Division - Includes the Pine Hills Youth Correctional Facility (PHYCF), Riverside Youth Correctional Facility, and Juvenile Community Corrections (juvenile parole officers, placement funds, detention licensing, transition center).

## Summary of Legislative Action

<p style="text-align: center;"><b>Department of Corrections</b> <b>Major Budget Highlights</b></p>
<ul style="list-style-type: none"> <li>○ The legislative budget does not specifically include most executive decision packages; however, the legislature funded the department at a level approximately equal to the executive recommendation and included language allowing the department to reallocate funding as necessary. Therefore, it is assumed that most of the executive recommendations would be adopted</li> <li>○ The legislature added \$16.9 million in general fund for the 2005 biennium over the base budget, primarily due to anticipated population increases</li> <li>○ Approximately \$11.6 million of the general fund increase is available due to passage of HB 363 and SB 407</li> <li>○ The legislature increased other funds by \$0.9 million over the base budget for the 2005 biennium, primarily for an increase in expenditures related to the inmate canteen and funding for cannery operations</li> <li>○ SB 118 delays reissue of license plates for a savings of \$2.4 million</li> <li>○ The legislative budget includes a reduction of \$1.7 million general fund below the executive recommendation over the biennium, which represents the department's share of a statewide personal services reduction</li> <li>○ Adult populations are projected to increase by approximately 3.5 percent each year of the 2005 biennium, which is lower than recent historical trends. This growth is anticipated to be contained using the following measures: <ul style="list-style-type: none"> <li>?? DUI WATCH Unit</li> <li>?? Missoula Assessment and Sanction Center</li> <li>?? Use of the former Eastmont Human Service Center in Glendive, which was discontinued by the 2003 legislature as a facility for the developmentally disabled</li> </ul> </li> </ul>

The legislature approved a general fund budget that is \$16.9 million above the fiscal 2002 base and other funds increase \$0.9 million. FTE increase due to passage of HB 220, which revises restitution laws. The budget, as approved by the legislature, essentially provides funding for the present law budget as requested by the executive, including funding for increases in projected populations. The following \$10.8 million in executive present law decision packages that are general funded have not been approved, but because the legislature added language that allows the department to allocate the appropriated amounts in accordance with the Executive Budget request, it is assumed these increases for present law items would be funded:

- \$1.1 million increase for outside medical and Board of Pardon costs
- \$6.7 million increase in Community Corrections to annualize the costs of the Warm Springs Addiction Treatment and Change program (WATCH - the fourth DUI facility), services for probationers and parolees, and base and inflation increase for prerelease centers
- \$5.4 million increase in Secure Custody Facilities for zero-based personal services, and annualization of the Montana Women's Prison expansion. This increase was to be offset by a \$1.7 million decrease in contract beds
- \$1.5 million decrease in Juvenile Corrections, as a result of a \$2.0 million decrease in juvenile placement funds and a \$0.5 million increase to annualize the Pine Hills Youth Correctional Facility expansion

The remaining general fund increase is primarily the net result of:

- The department's share of an unspecified general fund reduction applied to all general fund agencies
- The addition of funding for the state pay plan (HB 13)
- Provision of funds to implement SB 118, which delays reissue of license plates
- Statewide present law adjustments to fund personal services, fixed costs, and inflation

### Projected Populations

The figure below shows projected populations at each of the primary correctional facilities.

Department of Corrections											
ADP Growth											
Fiscal Years 1995 through 2005											
Facility	1995 Actual	1996 Actual	1997 Actual	1998 Actual	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Estimated	2004 Projected	2005 Projected
Montana State Prison	1,303	1,320	1,289	1,261	1,288	1,261	1,268	1,319	1,308	1,341	1,376
MSP Expansion Unit	0	68	52	54	0	0	0	0	0	0	0
County Jails & Regional Prisons	18	134	142	204	310	441	455	519	451	463	474
Private Prisons	0	1	224	350	341	307	384	394	412	423	433
Boot Camp	34	24	28	20	30	34	42	44	52	53	55
Prerelease	222	244	258	294	357	413	423	467	495	508	521
WATCh Program (DUI)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27</u>	<u>123</u>	<u>126</u>	<u>129</u>
Subtotal Males	1,577	1,791	1,993	2,183	2,326	2,456	2,572	2,770	2,841	2,914	2,988
% Growth	11.76%	13.57%	11.28%	9.53%	6.55%	5.59%	4.72%	7.70%	2.56%	2.56%	2.56%
Montana Women's Prison	53	64	69	71	69	70	71	74	105	134	134
Boot Camp	0	0	0	0	1	3	4	0	0	0	0
Intensive Challenge Program	0	0	0	0	0	0	0	7	7	7	7
County Jails & Regional Prisons	0	1	5	20	16	12	16	22	18	18	18
Private Prisons	0	0	0	4	40	50	61	74	29	0	0
Prerelease	34	43	54	86	87	95	111	115	120	120	120
WATCh Program (DUI)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>15</u>	<u>15</u>	<u>15</u>
Subtotal Females	87	108	128	181	213	230	263	295	294	294	293
% Growth	26.09%	24.14%	18.52%	41.41%	17.68%	7.98%	14.35%	11.98%	-0.18%	-0.16%	-0.18%
Intensive Supervision Program	110	121	156	156	184	194	226	252	271	291	312
% Growth	42.86%	10.00%	28.93%	0.00%	17.95%	5.43%	16.49%	11.50%	7.37%	7.37%	7.37%
Probation & Parole	4,771	4,993	5,176	5,431	5,787	5,963	6,047	6,104	6,264	6,515	6,775
% Growth	0.02%	4.65%	3.67%	4.93%	6.55%	3.04%	1.41%	0.94%	2.62%	4.00%	4.00%
Total Adult ADP	6,545	7,013	7,453	7,951	8,510	8,843	9,108	9,421	9,670	10,014	10,369
% Growth	3.45%	7.15%	6.27%	6.68%	7.03%	3.91%	3.00%	3.43%	2.65%	3.56%	3.54%

As shown in the figure, estimates of the rate of population growth in secure facilities are significantly lower in the 2005 biennium than historical experience. In the 2003 biennium, the department faced an approximate \$9.0 million shortfall in funding due primarily to unanticipated increases in population. One of the response measures was a program of "conditional release." HB 2 in the August 2002 Special Session contained the following language:

"The legislature encourages the department to use the authority that it possesses under current statute to allow early discharge of offenders subject to the jurisdiction of the department for the purpose of relieving the projected cost overrun caused by high prison populations."

While the outcome of conditional release is still uncertain, and returns to custody have been increasing, the department was able to avoid a supplemental appropriation in fiscal 2003. In the 2005 biennium, the executive proposed a budget that essentially assumes continuance of population control measures. According to the executive, they do not believe a sufficient number of appropriate inmates remains to make conditional release a major part of population control measures. Instead, the executive will look primarily to three other measures to maintain lower population growth patterns:

- The DUI (WATCH) Unit, which provides intensive treatment to alcohol abusers with multiple DUI convictions
- The Missoula Assessment and Sanction Center (MASC), which provides a formal program to determine the most appropriate placement once commitment to the department has been made
- Discontinuance of the Eastmont Human Services Center in Glendive as a facility for the developmentally disabled and transfer of the facility to the department

### Funding

The following table summarizes funding for the agency, by program and source, as adopted by the legislature.

Total Agency Funding 2005 Biennium Executive Budget						
Agency Program	General Fund	State Spec.	Fed Spec.	Proprietary	Grand Total	Total %
Admin And Support Services	\$ 18,016,862	\$ 198,657	\$ -	\$ 198,160	\$ 18,413,679	8.5%
Community Corrections	42,919,192	607,656	-	-	43,526,848	20.0%
Secure Custody Facilities	111,338,027	2,817,376	160,576	-	114,315,979	52.6%
Mont Correctional Enterprises	3,096,867	-	200,000	889,967	4,186,834	1.9%
Juvenile Corrections	35,295,670	874,026	633,530	-	36,803,226	16.9%
Grand Total	<u>\$ 210,666,618</u>	<u>\$ 4,497,715</u>	<u>\$ 994,106</u>	<u>\$ 1,088,127</u>	<u>\$ 217,246,566</u>	<u>100.0%</u>

### Other Legislation

House Bill 211 - This bill adds two auxiliary board members and eliminates the use of hearings examiners in favor of two-member panels to conduct parole hearings. The change in law is in response to a Supreme Court opinion that mandates offenders who committed crimes prior to April 30, 2001 appear before at least a majority of the Montana Board. The court also ruled that all Native American offender parole applications require the full participation of the board member with "particular knowledge of Indian culture and problems." The bill stipulates that each of the members must have particular knowledge of American Indian culture and problems gained through training, as required by rules adopted by the board. The additional cost for this change in law is \$37,700 in general fund each year of the 2005 biennium and is appropriated in HB 2.

House Bill 220 - This is an act ensuring that the duty to pay continues to exist until restitution is fully paid. The legislature added 3.00 FTE to process restitution paper work at \$188,259 state special revenue, offset by revenue of \$365,528.

House Bill 727 - This bill closes Eastmont Human Services Center in Glendive and transfers ownership to the Department of Corrections (department). The bill states that the building may be used for any purpose determined appropriate by the department and that whenever possible, the department shall employ the former employees of Eastmont in the new program established at the facility. Eastmont will close on December 31, 2003 and the fiscal note states that funds for heating, security, and maintenance of \$40,000 for one-half of fiscal 2004 and \$100,000 for fiscal 2005 would be transferred from the Department of Public Health and Human Services budget to the Department of Corrections budget.

Senate Bill 118 - A new general issuance of license plates was scheduled for fiscal 2004. This legislation delays the new issue of plates until 2006. The legislation also increases the license plate and manufacturing fee. The act will save \$0.2 million for the biennium in the Department of Justice and \$2.4 million in the Department of Corrections. The appropriated amounts in HB 2 include a \$3.6 million reduction based on the passage of SB 118. General fund of \$1,140,158 was added over the biennium for associated costs.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 2002	Executive Budget Fiscal 2004	Legislative Budget Fiscal 2004	Leg – Exec. Difference Fiscal 2004	Executive Budget Fiscal 2005	Legislative Budget Fiscal 2005	Leg – Exec. Difference Fiscal 2005	Biennium Difference Fiscal 04-05
FTE	1,092.80	1,092.80	1,095.80	3.00	1,092.80	1,095.80	3.00	
Personal Services	43,498,841	47,363,166	45,269,974	(2,093,192)	47,420,059	46,187,833	(1,232,226)	(3,325,418)
Operating Expenses	47,640,104	52,357,812	56,633,818	4,276,006	53,728,140	51,975,551	(1,752,589)	2,523,417
Equipment	324,500	324,500	324,500	0	324,500	324,500	0	0
Capital Outlay	50	50	50	0	50	50	0	0
Grants	0	0	0	0	0	0	0	0
Benefits & Claims	8,040,196	7,040,196	8,040,196	1,000,000	7,040,196	8,040,196	1,000,000	2,000,000
Transfers	0	0	0	0	0	0	0	0
Debt Service	224,949	224,949	224,949	0	224,949	224,949	0	0
<b>Total Costs</b>	<b>\$99,728,640</b>	<b>\$107,310,673</b>	<b>\$110,493,487</b>	<b>\$3,182,814</b>	<b>\$108,737,894</b>	<b>\$106,753,079</b>	<b>(\$1,984,815)</b>	<b>\$1,197,999</b>
General Fund	96,890,254	104,218,673	107,202,826	2,984,153	105,638,205	103,463,792	(2,174,413)	809,740
State/Other Special	1,668,004	2,156,131	2,254,792	98,661	2,153,325	2,242,923	89,598	188,259
Federal Special	750,280	397,053	497,053	100,000	397,053	497,053	100,000	200,000
Proprietary	420,102	538,816	538,816	0	549,311	549,311	0	0
NonExpendable Trust	0	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$99,728,640</b>	<b>\$107,310,673</b>	<b>\$110,493,487</b>	<b>\$3,182,814</b>	<b>\$108,737,894</b>	<b>\$106,753,079</b>	<b>(\$1,984,815)</b>	<b>\$1,197,999</b>

### Executive Budget Comparison

The legislative budget is just over \$0.8 million general fund above the Executive Budget, while total funds are increased by \$1.2 million over the biennium. While not approving most of the executive decision packages, the legislature also provided unspecified increases, along with language allowing the department to allocate all amounts appropriated to the Department of Corrections in HB 2 among programs or divisions in accordance with the Executive Budget request for the 2005 biennium. Major changes to general fund made by the legislature include:

- Executive decision packages in addition to an unspecified decrease applied to the fiscal 2002 base totaling \$31.6 million over the biennium were not approved
- \$11.6 million for the biennium was added as the result of passage of two bills: a) \$7.0 million, contingent on HB 363 (removes the reserve requirements for the old fund); and b) \$4.6 million, contingent upon passage and approval of SB 407 (the limited sales tax bill)
- \$20.0 million was added over the biennium as an unspecified increase
- A reduction of \$1.7 million over the biennium was made for the department's share of a statewide personal services reduction
- \$1.1 million was added over the biennium for license plate operations adjusted to implement SB 118, which delays license plate reissue into the 2009 biennium
- \$1.4 million over the biennium was appropriated for the state pay plan

The difference in other funds is due to two factors:

- Approximately \$190,000 in state special revenue authority and 3.00 FTE were added over the biennium to accommodate increased workload related to implementing HB 220, which revises restitution laws
- \$200,000 federal special revenue authority was added over the biennium for cannery operations, and the appropriation was made contingent on the receipt of federal funds specifically identified for cannery operations

### Language

The legislature approved the following language to allow the department to allocate the amounts appropriated among programs in accordance with the Executive Budget request for the 2005 biennium.

"The department may reallocate the appropriations in items 1 through 5 among divisions or programs when developing the 2005 biennium operating plans."

The legislature approved an increase of \$7.0 million general fund for the biennium and the following language stipulating that the increase is contingent upon passage and approval of HB 363 and that the department may reallocate the increase among the divisions:

"Item [Secure Custody Facilities] contains an increase of \$3,500,000 of general fund money in each year of the 2005 biennium. These increases are contingent upon passage and approval of House Bill No. 363. The department may reallocate this increase in funding among divisions or programs when developing the 2005 biennium operating plans."

The legislature approved an increase of \$4.6 million general fund for the biennium and the following language stipulating that the increase is contingent upon passage and approval of SB 407 (the limited sales tax bill):

"Item [Additional General Fund -- SB 407 Contingency] is contingent upon passage and approval of Senate Bill No. 407. The department may reallocate this increase in funding among divisions or programs when developing the 2005 biennium operating plans."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	91.50	0.00	3.00	94.50	0.00	3.00	94.50	94.50
Personal Services	3,960,266	358,251	(719,557)	3,598,960	357,009	(645,494)	3,671,781	7,270,741
Operating Expenses	5,303,576	246,620	9,063	5,559,259	225,017	0	5,528,593	11,087,852
Equipment	0	0	0	0	0	0	0	0
Debt Service	27,543	0	0	27,543	0	0	27,543	55,086
<b>Total Costs</b>	<b>\$9,291,385</b>	<b>\$604,871</b>	<b>(\$710,494)</b>	<b>\$9,185,762</b>	<b>\$582,026</b>	<b>(\$645,494)</b>	<b>\$9,227,917</b>	<b>\$18,413,679</b>
General Fund	9,220,046	575,203	(809,155)	8,986,094	545,814	(735,092)	9,030,768	18,016,862
State/Other Special	4,321	2,281	98,661	105,263	(525)	89,598	93,394	198,657
Federal Special	0	0	0	0	0	0	0	0
Proprietary	67,018	27,387	0	94,405	36,737	0	103,755	198,160
<b>Total Funds</b>	<b>\$9,291,385</b>	<b>\$604,871</b>	<b>(\$710,494)</b>	<b>\$9,185,762</b>	<b>\$582,026</b>	<b>(\$645,494)</b>	<b>\$9,227,917</b>	<b>\$18,413,679</b>

### Program Description

The Administration and Support Services Program includes the Director's Office, Centralized Services Division, and the administratively attached Board of Pardons. This program provides: 1) administrative and management support, human resources, budget, fiscal, and legal information; 2) technical correctional services; 3) policy and staff development; 4) research; 5) facility management; and 6) access to health care services.

### Program Narrative

Administration and Support Services Major Budget Highlights	
<ul style="list-style-type: none"> <li>○ The legislative budget does not specifically include most executive decision packages; however, the legislature funded the department at a level approximately equal to the executive recommendation and included language allowing the department to reallocate funding as necessary. Therefore, it is assumed that most of the executive recommendations would be adopted</li> <li>○ The executive recommendation included an increase of \$2.3 million general fund over the base year expenditures <ul style="list-style-type: none"> <li>?? \$1.2 million for statewide present law adjustments</li> <li>?? \$1.1 million for an increase in outside medical costs</li> </ul> </li> </ul>	

**Funding**

The following table shows program funding, by source, for the base year and the 2005 biennium.

<b>Program Funding Table</b>						
Admin And Support Services						
<u>Program Funding</u>	<u>Base</u>	<u>% of Base</u>	<u>Budget</u>	<u>% of Budget</u>	<u>Budget</u>	<u>% of Budget</u>
	<u>Fiscal 2002</u>	<u>Fiscal 2002</u>	<u>Fiscal 2004</u>	<u>Fiscal 2004</u>	<u>Fiscal 2005</u>	<u>Fiscal 2005</u>
01100 General Fund	\$ 9,220,046	99.2%	\$ 8,986,094	97.8%	\$ 9,030,768	97.9%
02689 Offender Restitution	-	-	98,661	1.1%	89,598	1.0%
02917 Msp Canteen Revolving Acct	3,083	0.0%	1,322	0.0%	144	0.0%
02927 Phs Donations/I & I	1,238	0.0%	5,280	0.1%	3,652	0.0%
06033 Prison Ranch	47,790	0.5%	64,945	0.7%	10,606	0.1%
06034 Msp Institutional Industries	14,215	0.2%	20,583	0.2%	73,753	0.8%
06545 Prison Indust. Training Prog	5,013	0.1%	8,877	0.1%	19,396	0.2%
Grand Total	\$ 9,291,385	100.0%	\$ 9,185,762	100.0%	\$ 9,227,917	100.0%

General fund provides support for all of the functions of the Board of Pardons, the Director's Office, and outside medical costs. The funding of the Administration and Support Services Program is 99 percent general fund with state special revenue funds and proprietary funds allocated for a proportionate share of audit costs and other fixed costs.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				538,183					536,899
Vacancy Savings				(179,932)					(179,890)
Inflation/Deflation				11,273					16,609
Fixed Costs				235,347					208,408
<b>Total Statewide Present Law Adjustments</b>				<b>\$604,871</b>					<b>\$582,026</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$604,871</b>					<b>\$582,026</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 655 - Personal Services Reduction										
01	0.00	(831,651)	0	0	(831,651)	0.00	(831,651)	0	0	(831,651)
DP 6800 - HB 13 -Pay Plan										
01	0.00	22,496	0	0	22,496	0.00	96,559	0	0	96,559
DP 9050 - HB 220 - Revise Restitution Laws										
01	3.00	0	98,661	0	98,661	3.00	0	89,598	0	89,598
Total	3.00	(\$809,155)	\$98,661	\$0	(\$710,494)	3.00	(\$735,092)	\$89,598	\$0	(\$645,494)



**New Proposals**

DP 655 - Personal Services Reduction - The legislature applied a further vacancy savings on general fund positions. This reduction equals 0.8 percent of total general fund for this agency. This reduction was applied to one program, and language was added allowing the department to reallocate among programs as necessary.

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 9050 - HB 220 - Revise Restitution Laws - The legislature added 3.00 FTE and approximately \$190,000 in state special revenue authority over the biennium to accommodate increased workload created by the passage of HB 220, which revises restitution laws.

**Language**

"Item [Administration and Support Services] includes a reduction in general fund money of \$831,651 in fiscal year 2004 and \$831,651 in fiscal year 2005 for the statewide FTE reduction. The agency may allocate this reduction in funding among program when developing 2005 biennium operating plans."

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	205.00	0.00	0.00	205.00	0.00	0.00	205.00	205.00
Personal Services	8,526,396	349,171	48,934	8,924,501	364,528	211,253	9,102,177	18,026,678
Operating Expenses	12,670,357	4,334	0	12,674,691	51,210	0	12,721,567	25,396,258
Equipment	24,243	0	0	24,243	0	0	24,243	48,486
Debt Service	27,713	0	0	27,713	0	0	27,713	55,426
<b>Total Costs</b>	<b>\$21,248,709</b>	<b>\$353,505</b>	<b>\$48,934</b>	<b>\$21,651,148</b>	<b>\$415,738</b>	<b>\$211,253</b>	<b>\$21,875,700</b>	<b>\$43,526,848</b>
General Fund	20,944,881	353,505	48,934	21,347,320	415,738	211,253	21,571,872	42,919,192
State/Other Special	303,828	0	0	303,828	0	0	303,828	607,656
Federal Special	0	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$21,248,709</b>	<b>\$353,505</b>	<b>\$48,934</b>	<b>\$21,651,148</b>	<b>\$415,738</b>	<b>\$211,253</b>	<b>\$21,875,700</b>	<b>\$43,526,848</b>

### Program Description

The Community Corrections Program includes adult probation and parole, WATCH DUI Unit, Interstate Compact, and the Treasure State Correctional Training Center. In addition, the department contracts with non-profit corporations in Great Falls, Butte, Missoula, Billings, and Helena for pre-release services.

### Program Narrative

Community Corrections Major Budget Highlights	
○	The legislative budget does not specifically include most executive decision packages; however, the legislature funded the department at a level approximately equal to the executive recommendation and included language allowing the department to reallocate funding as necessary. Therefore, it is assumed that most of the executive recommendations would be adopted
○	The executive recommendation included a general fund increase of \$7.5 million over base year expenditures. Major increases included: <ul style="list-style-type: none"> <li>?? \$0.9 million for to annualize prerelease program</li> <li>?? \$1.2 million for alternatives to prison</li> <li>?? \$4.6 million to annualize DUI WATCH program</li> <li>?? \$0.8 million for statewide present law adjustments</li> </ul>

**Funding**

The following table shows program funding, by source, for the base year and the 2005 biennium.

<b>Program Funding Table</b>						
Community Corrections						
	Base	% of Base	Budget	% of Budget	Budget	% of Budget
<u>Program Funding</u>	<u>Fiscal 2002</u>	<u>Fiscal 2002</u>	<u>Fiscal 2004</u>	<u>Fiscal 2004</u>	<u>Fiscal 2005</u>	<u>Fiscal 2005</u>
01100 General Fund	\$ 20,944,881	98.6%	\$ 21,347,320	98.6%	\$21,571,872	98.6%
02261 P & P Supervisory Fee	303,828	1.4%	303,828	1.4%	303,828	1.4%
Grand Total	<u>\$ 21,248,709</u>	<u>100.0%</u>	<u>\$ 21,651,148</u>	<u>100.0%</u>	<u>\$21,875,700</u>	<u>100.0%</u>

Funding for the Community Corrections program is approximately 99 percent general fund. State special revenue funds are from probation and parole fees collected from parolees to help defray the cost of parole supervision.

Present Law Adjustments											
-----Fiscal 2004-----						-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services					718,988					734,992	
Vacancy Savings					(369,817)					(370,464)	
Inflation/Deflation					4,754					51,630	
Fixed Costs					(420)					(420)	
Total Statewide Present Law Adjustments					\$353,505						\$415,738
Grand Total All Present Law Adjustments					\$353,505						\$415,738

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 -Pay Plan 02	0.00	48,934	0	0	48,934	0.00	211,253	0	0	211,253
<b>Total</b>	<b>0.00</b>	<b>\$48,934</b>	<b>\$0</b>	<b>\$0</b>	<b>\$48,934</b>	<b>0.00</b>	<b>\$211,253</b>	<b>\$0</b>	<b>\$0</b>	<b>\$211,253</b>

Descriptions of the above new proposals are included in the subprogram budget presentations.

## Sub-Program Details

## COMMUNITY CORRECTIONS ADMIN 01

Community Corrections Administration includes supervisory staff.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	12.50	0.00	0.00	12.50	0.00	0.00	12.50	12.50
Personal Services	568,301	7,872	48,934	625,107	8,795	211,253	788,349	1,413,456
Operating Expenses	62,447	(109)	0	62,338	724	0	63,171	125,509
Debt Service	8,821	0	0	8,821	0	0	8,821	17,642
<b>Total Costs</b>	<b>\$639,569</b>	<b>\$7,763</b>	<b>\$48,934</b>	<b>\$696,266</b>	<b>\$9,519</b>	<b>\$211,253</b>	<b>\$860,341</b>	<b>\$1,556,607</b>
General Fund	639,569	7,763	48,934	696,266	9,519	211,253	860,341	1,556,607
<b>Total Funds</b>	<b>\$639,569</b>	<b>\$7,763</b>	<b>\$48,934</b>	<b>\$696,266</b>	<b>\$9,519</b>	<b>\$211,253</b>	<b>\$860,341</b>	<b>\$1,556,607</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				31,881					32,841
Vacancy Savings				(24,009)					(24,046)
Inflation/Deflation				(109)					724
<b>Total Statewide Present Law Adjustments</b>				<b>\$7,763</b>					<b>\$9,519</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$7,763</b>					<b>\$9,519</b>

## Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
01	0.00	48,934	0	0	48,934	0.00	211,253	0	0	211,253
<b>Total</b>	<b>0.00</b>	<b>\$48,934</b>	<b>\$0</b>	<b>\$0</b>	<b>\$48,934</b>	<b>0.00</b>	<b>\$211,253</b>	<b>\$0</b>	<b>\$0</b>	<b>\$211,253</b>

## New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

## Sub-Program Details

**TREASURE STATE CORRECTIONAL TRAINING 02**

Treasure State Correctional Training Center (TSCTC), referred to as the boot camp, is located on the campus of Montana State Prison. Approximately 100 offenders completed training at the center in fiscal 2002. The boot camp program is voluntary. By volunteering, offenders may have their sentences reduced.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	26.51	0.00	0.00	26.51	0.00	0.00	26.51	26.51
Personal Services	1,091,202	(5,198)	0	1,086,004	(2,458)	0	1,088,744	2,174,748
Operating Expenses	335,982	1,499	0	337,481	2,903	0	338,885	676,366
Debt Service	3,602	0	0	3,602	0	0	3,602	7,204
<b>Total Costs</b>	<b>\$1,430,786</b>	<b>(\$3,699)</b>	<b>\$0</b>	<b>\$1,427,087</b>	<b>\$445</b>	<b>\$0</b>	<b>\$1,431,231</b>	<b>\$2,858,318</b>
General Fund	1,430,786	(3,699)	0	1,427,087	445	0	1,431,231	2,858,318
<b>Total Funds</b>	<b>\$1,430,786</b>	<b>(\$3,699)</b>	<b>\$0</b>	<b>\$1,427,087</b>	<b>\$445</b>	<b>\$0</b>	<b>\$1,431,231</b>	<b>\$2,858,318</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				40,053					42,907
Vacancy Savings				(45,251)					(45,365)
Inflation/Deflation				1,499					2,903
<b>Total Statewide Present Law Adjustments</b>				<b>(\$3,699)</b>					<b>\$445</b>
<b>Grand Total All Present Law Adjustments</b>				<b>(\$3,699)</b>					<b>\$445</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

**Sub-Program Details****PRE-RELEASE 03**

The department currently contracts with pre-release centers located in Butte, Billings, Great Falls, Missoula, and Helena. Prerelease centers provide supervised education, treatment, and work opportunities for offenders. Offenders are required to reside in these centers during their placements. Currently, there are 520 traditional prerelease beds, 31 beds for boot camp, and 30 chemical dependency beds.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
Operating Expenses	9,461,291	0	0	9,461,291	0	0	9,461,291	18,922,582
<b>Total Costs</b>	<b>\$9,461,291</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,461,291</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,461,291</b>	<b>\$18,922,582</b>
General Fund	9,461,291	0	0	9,461,291	0	0	9,461,291	18,922,582
<b>Total Funds</b>	<b>\$9,461,291</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,461,291</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,461,291</b>	<b>\$18,922,582</b>

## Sub-Program Details

**PROBATION AND PAROLE 04**

Probation and Parole supervises over 6,000 inmates.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	165.99	0.00	0.00	165.99	0.00	0.00	165.99	165.99
Personal Services	6,866,893	346,497	0	7,213,390	358,191	0	7,225,084	14,438,474
Operating Expenses	2,128,089	4,017	0	2,132,106	48,301	0	2,176,390	4,308,496
Debt Service	15,290	0	0	15,290	0	0	15,290	30,580
<b>Total Costs</b>	<b>\$9,010,272</b>	<b>\$350,514</b>	<b>\$0</b>	<b>\$9,360,786</b>	<b>\$406,492</b>	<b>\$0</b>	<b>\$9,416,764</b>	<b>\$18,777,550</b>
General Fund	8,706,444	350,514	0	9,056,958	406,492	0	9,112,936	18,169,894
State/Other Special	303,828	0	0	303,828	0	0	303,828	607,656
<b>Total Funds</b>	<b>\$9,010,272</b>	<b>\$350,514</b>	<b>\$0</b>	<b>\$9,360,786</b>	<b>\$406,492</b>	<b>\$0</b>	<b>\$9,416,764</b>	<b>\$18,777,550</b>

Present Law Adjustments									
	-----Fiscal 2004-----					-----Fiscal 2005-----			
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				647,054					659,244
Vacancy Savings				(300,557)					(301,053)
Inflation/Deflation				4,437					48,721
Fixed Costs				(420)					(420)
<b>Total Statewide Present Law Adjustments</b>				<b>\$350,514</b>					<b>\$406,492</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$350,514</b>					<b>\$406,492</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

## Sub-Program Details

**DUI UNIT 05**

The DUI Unit is under contract with Community, Counseling, and Correctional Services, Inc. Intensive residential alcohol treatment is provided for offenders convicted of a fourth or subsequent driving under the influence offense. The facility has 140 beds.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
Operating Expenses	682,548	(1,073)	0	681,475	(718)	0	681,830	1,363,305
Equipment	24,243	0	0	24,243	0	0	24,243	48,486
<b>Total Costs</b>	<b>\$706,791</b>	<b>(\$1,073)</b>	<b>\$0</b>	<b>\$705,718</b>	<b>(\$718)</b>	<b>\$0</b>	<b>\$706,073</b>	<b>\$1,411,791</b>
General Fund	706,791	(1,073)	0	705,718	(718)	0	706,073	1,411,791
<b>Total Funds</b>	<b>\$706,791</b>	<b>(\$1,073)</b>	<b>\$0</b>	<b>\$705,718</b>	<b>(\$718)</b>	<b>\$0</b>	<b>\$706,073</b>	<b>\$1,411,791</b>

Present Law Adjustments									
	-----Fiscal 2004-----					-----Fiscal 2005-----			
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Inflation/Deflation				(1,073)					(718)
<b>Total Statewide Present Law Adjustments</b>				<b>(\$1,073)</b>					<b>(\$718)</b>
<b>Grand Total All Present Law Adjustments</b>				<b>(\$1,073)</b>					<b>(\$718)</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.



Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	578.45	0.00	0.00	578.45	0.00	0.00	578.45	578.45
Personal Services	22,628,824	825,826	137,758	23,592,408	858,383	593,701	24,080,908	47,673,316
Operating Expenses	27,156,550	8,052,918	0	35,209,468	3,371,043	0	30,527,593	65,737,061
Equipment	292,757	0	0	292,757	0	0	292,757	585,514
Capital Outlay	50	0	0	50	0	0	50	100
Grants	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	159,994	0	0	159,994	0	0	159,994	319,988
<b>Total Costs</b>	<b>\$50,238,175</b>	<b>\$8,878,744</b>	<b>\$137,758</b>	<b>\$59,254,677</b>	<b>\$4,229,426</b>	<b>\$593,701</b>	<b>\$55,061,302</b>	<b>\$114,315,979</b>
General Fund	49,316,699	8,311,244	137,758	57,765,701	3,661,926	593,701	53,572,326	111,338,027
State/Other Special	841,188	567,500	0	1,408,688	567,500	0	1,408,688	2,817,376
Federal Special	80,288	0	0	80,288	0	0	80,288	160,576
Proprietary	0	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$50,238,175</b>	<b>\$8,878,744</b>	<b>\$137,758</b>	<b>\$59,254,677</b>	<b>\$4,229,426</b>	<b>\$593,701</b>	<b>\$55,061,302</b>	<b>\$114,315,979</b>

### Program Description

The Secure Facilities Program includes the Montana State Prison, Montana Women's Prison, and contract beds.

### Program Narrative

Secure Custody Facilities Major Budget Highlights	
o	The legislative budget does not specifically include most executive decision packages; however, the legislature funded the department at a level approximately equal to the executive recommendation and included language allowing the department to reallocate funding as necessary. Therefore, it is assumed that most of the executive recommendations would be adopted
o	The executive recommendation contained a general fund increase of \$5.5 million over base year expenditures, including: <ul style="list-style-type: none"> <li>?? \$3.0 million increase for zero-based personal services</li> <li>?? \$2.5 million increase to annualize Montana Women's Prison expansion</li> <li>?? \$1.8 million increase for statewide present law adjustments</li> <li>?? \$1.7 million decrease in contract beds</li> </ul>

**Funding**

The following table shows program funding, by source, for the base year and the 2005 biennium.

<b>Program Funding Table</b>						
Secure Custody Facilities						
<u>Program Funding</u>	Base Fiscal 2002	% of Base Fiscal 2002	Budget Fiscal 2004	% of Budget Fiscal 2004	Budget Fiscal 2005	% of Budget Fiscal 2005
01100 General Fund	\$ 49,316,699	98.2%	\$ 57,765,701	97.5%	\$ 53,572,326	97.3%
02339 Inmate Welfare/Inmate Pay	100,000	0.2%	100,000	0.2%	100,000	0.2%
02917 Msp Canteen Revolving Acct	741,188	1.5%	1,308,688	2.2%	1,308,688	2.4%
03315 Misc Federal Grants	<u>80,288</u>	<u>0.2%</u>	<u>80,288</u>	<u>0.1%</u>	<u>80,288</u>	<u>0.1%</u>
Grand Total	\$ 50,238,175	100.0%	\$ 59,254,677	100.0%	\$ 55,061,302	100.0%

Funding for the Secure Facilities Program is approximately 97 percent general fund. State special revenue funds of approximately \$2.8 million for the biennium include revenue from inmate welfare and pay and the prison canteen funds. Miscellaneous federal grants total approximately \$0.2 million for the biennium.

Present Law Adjustments										
-----Fiscal 2004-----					-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,803,064					1,837,021
Vacancy Savings					(977,238)					(978,638)
Inflation/Deflation					37,672					48,675
Fixed Costs					(758)					(758)
<b>Total Statewide Present Law Adjustments</b>					<b>\$862,740</b>					<b>\$906,300</b>
DP 15 - Increase in Inmate Canteen Authority	0.00	0	283,750	0	283,750	0.00	0	283,750	0	283,750
DP 9000 - Legislative Adjustment	0.00	3,132,254	0	0	3,132,254	0.00	3,039,376	0	0	3,039,376
DP 9005 - Additional General Fund--SB 407 Contingency	0.00	4,600,000	0	0	4,600,000	0.00	0	0	0	0
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$7,732,254</b>	<b>\$283,750</b>	<b>\$0</b>	<b>\$8,016,004</b>	<b>0.00</b>	<b>\$3,039,376</b>	<b>\$283,750</b>	<b>\$0</b>	<b>\$3,323,126</b>
<b>Grand Total All Present Law Adjustments</b>					<b>\$8,878,744</b>					<b>\$4,229,426</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

New Proposals										
-----Fiscal 2004-----					-----Fiscal 2005-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB - 13 Pay Plan										
03	0.00	137,758	0	0	137,758	0.00	593,701	0	0	593,701
<b>Total</b>	<b>0.00</b>	<b>\$137,758</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,758</b>	<b>0.00</b>	<b>\$593,701</b>	<b>\$0</b>	<b>\$0</b>	<b>\$593,701</b>

Descriptions of the above new proposals are included in the subprogram budget presentations.

**Language**

The legislature approved an increase of \$7.0 million general fund for the biennium and the following language stipulating that the increase is contingent upon passage and approval of HB 363 and that the department may reallocate the increase among the divisions:

"Item [Secure Custody Facilities] contains an increase of \$3,500,000 of general fund money in each year of the 2005 biennium. These increases are contingent upon passage and approval of House Bill No. 363. The department may reallocate this increase in funding among divisions or programs when developing the 2005 biennium operating plans."

The legislature approved an increase of \$4.6 million general fund for the biennium and the following language stipulating that the increase is contingent upon passage and approval of SB 407 (the limited sales tax bill):

"Item [Additional General Fund -- SB 407 Contingency] is contingent upon passage and approval of Senate Bill No. 407. The department may reallocate this increase in funding among divisions or programs when developing the 2005 biennium operating plans."

## Sub-Program Details

**MONTANA STATE PRISON 01**

The Montana State Prison (MSP), located in Deer Lodge, had an average daily population of 1,319 in fiscal 2002.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	501.17	0.00	0.00	501.17	0.00	0.00	501.17	501.17
Personal Services	20,476,563	200,869	137,758	20,815,190	234,698	593,701	21,304,962	42,120,152
Operating Expenses	7,645,105	314,411	0	7,959,516	323,176	0	7,968,281	15,927,797
Equipment	292,757	0	0	292,757	0	0	292,757	585,514
Capital Outlay	50	0	0	50	0	0	50	100
Debt Service	150,214	0	0	150,214	0	0	150,214	300,428
<b>Total Costs</b>	<b>\$28,564,689</b>	<b>\$515,280</b>	<b>\$137,758</b>	<b>\$29,217,727</b>	<b>\$557,874</b>	<b>\$593,701</b>	<b>\$29,716,264</b>	<b>\$58,933,991</b>
General Fund	27,643,213	(52,220)	137,758	27,728,751	(9,626)	593,701	28,227,288	55,956,039
State/Other Special	841,188	567,500	0	1,408,688	567,500	0	1,408,688	2,817,376
Federal Special	80,288	0	0	80,288	0	0	80,288	160,576
<b>Total Funds</b>	<b>\$28,564,689</b>	<b>\$515,280</b>	<b>\$137,758</b>	<b>\$29,217,727</b>	<b>\$557,874</b>	<b>\$593,701</b>	<b>\$29,716,264</b>	<b>\$58,933,991</b>

Present Law Adjustments											
-----Fiscal 2004-----						-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services					1,062,378					1,097,666	
Vacancy Savings					(861,509)					(862,968)	
Inflation/Deflation					31,151					39,916	
Fixed Costs					(490)					(490)	
Total Statewide Present Law Adjustments					\$231,530						\$274,124
DP 15 - Increase in Inmate Canteen Authority	0.00	0	283,750	0	283,750	0.00	0	283,750	0	283,750	
Total Other Present Law Adjustments											
	0.00	\$0	\$283,750	\$0	\$283,750	0.00	\$0	\$283,750	\$0	\$283,750	
Grand Total All Present Law Adjustments					\$515,280						\$557,874

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 15 - Increase in Inmate Canteen Authority - The legislature approved additional state special revenue authority to fund purchases for the inmate canteen at the Montana State Prison (MSP). MSP has decreased the ability of inmates to order items from outside vendors and receive items from family members. This has caused more inmate dependence on the canteen system to procure personal need hygiene/food items.

New Proposals										
	-----Fiscal 2004-----					-----Fiscal 2005-----				
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB - 13 Pay Plan										
01	0.00	137,758	0	0	137,758	0.00	593,701	0	0	593,701
<b>Total</b>	<b>0.00</b>	<b>\$137,758</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,758</b>	<b>0.00</b>	<b>\$593,701</b>	<b>\$0</b>	<b>\$0</b>	<b>\$593,701</b>

**New Proposals**

DP 6800 - HB - 13 Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

## Sub-Program Details

**MONTANA WOMENS PRISON 02**

The Montana Women's Prison (MWP), located in Billings, was recently expanded to 205 beds. The expansion was completed in the summer of 2002.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	68.27	0.00	0.00	68.27	0.00	0.00	68.27	68.27
Personal Services	1,741,632	635,402	0	2,377,034	634,821	0	2,376,453	4,753,487
Operating Expenses	1,033,111	6,064	0	1,039,175	7,985	0	1,041,096	2,080,271
Debt Service	9,088	0	0	9,088	0	0	9,088	18,176
<b>Total Costs</b>	<b>\$2,783,831</b>	<b>\$641,466</b>	<b>\$0</b>	<b>\$3,425,297</b>	<b>\$642,806</b>	<b>\$0</b>	<b>\$3,426,637</b>	<b>\$6,851,934</b>
General Fund	2,783,831	641,466	0	3,425,297	642,806	0	3,426,637	6,851,934
<b>Total Funds</b>	<b>\$2,783,831</b>	<b>\$641,466</b>	<b>\$0</b>	<b>\$3,425,297</b>	<b>\$642,806</b>	<b>\$0</b>	<b>\$3,426,637</b>	<b>\$6,851,934</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				734,455					733,844
Vacancy Savings				(99,053)					(99,023)
Inflation/Deflation				6,212					8,133
Fixed Costs				(148)					(148)
<b>Total Statewide Present Law Adjustments</b>				<b>\$641,466</b>					<b>\$642,806</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$641,466</b>					<b>\$642,806</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

## Sub-Program Details

**CONTRACTED BEDS 04**

The contract beds program represents those expenditures directly related to housing Montana inmates outside of the state-operated correctional institutions. These currently include the regional prisons, county jails, and Crossroads (private prison in Shelby).

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	9.01	0.00	0.00	9.01	0.00	0.00	9.01	9.01
Personal Services	410,629	(10,445)	0	400,184	(11,136)	0	399,493	799,677
Operating Expenses	18,478,334	7,732,443	0	26,210,777	3,039,882	0	21,518,216	47,728,993
Debt Service	692	0	0	692	0	0	692	1,384
<b>Total Costs</b>	<b>\$18,889,655</b>	<b>\$7,721,998</b>	<b>\$0</b>	<b>\$26,611,653</b>	<b>\$3,028,746</b>	<b>\$0</b>	<b>\$21,918,401</b>	<b>\$48,530,054</b>
General Fund	18,889,655	7,721,998	0	26,611,653	3,028,746	0	21,918,401	48,530,054
<b>Total Funds</b>	<b>\$18,889,655</b>	<b>\$7,721,998</b>	<b>\$0</b>	<b>\$26,611,653</b>	<b>\$3,028,746</b>	<b>\$0</b>	<b>\$21,918,401</b>	<b>\$48,530,054</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				6,231					5,511
Vacancy Savings				(16,676)					(16,647)
Inflation/Deflation				309					626
Fixed Costs				(120)					(120)
<b>Total Statewide Present Law Adjustments</b>				<b>(\$10,256)</b>					<b>(\$10,630)</b>
DP 9000 - Legislative Adjustment									
0.00	3,132,254	0	0	3,132,254	0.00	3,039,376	0	0	3,039,376
DP 9005 - Additional General Fund--SB 407 Contingency									
0.00	4,600,000	0	0	4,600,000	0.00	0	0	0	0
<b>Total Other Present Law Adjustments</b>									
<b>0.00</b>	<b>\$7,732,254</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,732,254</b>	<b>0.00</b>	<b>\$3,039,376</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,039,376</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$7,721,998</b>					<b>\$3,028,746</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 9000 - Legislative Adjustment - The legislature approved an unspecified increase of \$6.1 million general fund for the biennium. Originally, the legislature approved an unspecified reduction of \$0.8 million general fund for the biennium. This was offset by an amendment adding \$7.0 million in general fund contingent upon passage and approval of HB 363. The department is allowed to reallocate the increase among divisions within the department.

DP 9005 - Additional General Fund--SB 407 Contingency - The legislature approved \$4.6 million in general fund for the biennium contingent upon passage and approval of SB 407. The legislature approved this decision package in order to bring the budget for the department equal to the executive request to fund present law.

**Sub-Program Details****Proprietary Rates****Program Description**

The Food Factory was established to provide cost effective nutritional meals to the Montana State Prison and other state and county agencies, using a cook-chill method of food preparation. The cook-chill method allows food to be prepared a week in advance and packaged in bulk or individual trays.

**Revenues and Expenses**

The Food Factory derives its revenue from the sale of bulk food and trayed meals to customers. Currently the customers who are served include: Montana State Prison, Montana State Hospital, Treasure State Correctional Training Center, Riverside Youth Correctional Facility, WATCH DUI Unit, and the Helena Prerelease Center. The anticipated revenues for fiscal 2004 and fiscal 2005 are \$2,230,000 and \$2,271,000 respectively. The largest expense the food factory incurs is the purchase of raw food items and personal services costs. The anticipated expenses for fiscal 2004 and fiscal 2005 are \$2,179,470 and \$2,221,266, respectively. The fiscal 2005 amount includes the purchase of equipment for \$41,796.

**Food Factory Rates**

Current Food Factory rates charged to the customers are lower than the rates established during the 2001 legislative session. The rates as they were established assumed that all customers would be purchasing a trayed complete meal. In actuality, most customers receive a bulk product. The bulk customers are charged the food cost plus a monthly overhead charge. The per meal trayed customer rates for the 2005 biennium are as follows:

Montana State Prison	\$1.37
Riverside Youth Correctional Facility	\$2.01
WATCH DUI Unit	\$1.59
Helena Prerelease	\$2.01

All meal rates include delivery costs.



Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	15.00	0.00	0.00	15.00	0.00	0.00	15.00	15.00
Personal Services	638,268	119,027	3,479	760,774	121,225	15,005	774,498	1,535,272
Operating Expenses	655,003	523	670,079	1,325,605	875	670,079	1,325,957	2,651,562
Equipment	0	0	0	0	0	0	0	0
<b>Total Costs</b>	<b>\$1,293,271</b>	<b>\$119,550</b>	<b>\$673,558</b>	<b>\$2,086,379</b>	<b>\$122,100</b>	<b>\$685,084</b>	<b>\$2,100,455</b>	<b>\$4,186,834</b>
General Fund	940,187	28,223	573,558	1,541,968	29,628	585,084	1,554,899	3,096,867
Federal Special	0	0	100,000	100,000	0	100,000	100,000	200,000
Proprietary	353,084	91,327	0	444,411	92,472	0	445,556	889,967
NonExpendable Trust	0	0	0	0	0	0	0	0
<b>Total Funds</b>	<b>\$1,293,271</b>	<b>\$119,550</b>	<b>\$673,558</b>	<b>\$2,086,379</b>	<b>\$122,100</b>	<b>\$685,084</b>	<b>\$2,100,455</b>	<b>\$4,186,834</b>

### Program Description

The Montana Correctional Enterprises (MCE) Program includes the ranch, industries, dairy, license plate, and vocational education programs at the Montana State Prison facility. MCE also has industry programs located at the Montana Women's Prison, Cascade County Regional Detention Facility, and Crossroads Correctional Facility. MCE programs provide employment and vocational educational training opportunities to offenders. Approximately 350 offenders are involved in education, training, and employment with MCE programs.

### Program Narrative

Montana Correctional Enterprises Major Budget Highlights	
<ul style="list-style-type: none"> <li>○ The legislative budget does not specifically include most executive decision packages; however, the legislature funded the department at a level approximately equal to the executive recommendation and included language allowing the department to reallocate funding as necessary. Therefore, it is assumed that most of the executive recommendations would be adopted</li> <li>○ SB 118 delays reissue of license plates for a general fund savings of \$2.4 million</li> <li>○ Legislative budget includes \$100,000 federal special revenue authority to continue cannery operations contingent upon the receipt of federal funds specifically identified for that purpose</li> </ul>	

**Funding**

The following table shows program funding, by source, for the base year and the 2005 biennium.

<b>Program Funding Table</b>						
Mont Correctional Enterprises						
	Base	% of Base	Budget	% of Budget	Budget	% of Budget
Program Funding	Fiscal 2002	Fiscal 2002	Fiscal 2004	Fiscal 2004	Fiscal 2005	Fiscal 2005
01100 General Fund	\$ 940,187	72.7%	\$ 1,541,968	73.9%	\$ 1,554,899	74.0%
03315 Misc Federal Grants	-	-	100,000	4.8%	100,000	4.8%
06545 Prison Indust. Training Prog	353,084	27.3%	444,411	21.3%	445,556	21.2%
Grand Total	<u>\$ 1,293,271</u>	<u>100.0%</u>	<u>\$ 2,086,379</u>	<u>100.0%</u>	<u>\$ 2,100,455</u>	<u>100.0%</u>

Funding for the Montana Correctional Enterprises Program is over 68 percent from the general fund. General fund supports the license plate factory and a portion of the vocational/education programs. The funding for the remaining portion of vocational training is enterprise funds. The ranch and industries programs are funded through enterprise funds and are not included in HB 2.

The Industries program had general fund support equal to approximately 50.5 percent in the 2001 biennium, which increased to 64.1 percent in the 2003 biennium. The amount for the 2005 biennium is approximately 58.0 percent general fund.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				79,636					81,926
Vacancy Savings				(28,715)					(28,807)
Inflation/Deflation				523					875
<b>Total Statewide Present Law Adjustments</b>				<b>\$51,444</b>					<b>\$53,994</b>
DP 9006 - MCE Voc Ed Inmate Payroll									
0.00	0	0	0	68,106*	0.00	0	0	0	68,106*
<b>Total Other Present Law Adjustments</b>									
0.00	\$0	\$0	\$0	<b>\$68,106*</b>	0.00	\$0	\$0	\$0	<b>\$68,106*</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$119,550*</b>					<b>\$122,100*</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 9006 - MCE Voc Ed Inmate Payroll - The legislature approved \$136,212 in proprietary funds for the 2005 biennium for student payroll for inmates. The inmates are involved in the Montana Correctional Enterprises vocational education programs in motor vehicle maintenance, apprenticeship training, and the Toyota Project.

New Proposals										
Program	FTE	Fiscal 2004				Fiscal 2005				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
04	0.00	3,479	0	0	3,479	0.00	15,005	0	0	15,005
DP 9051 - SB 118 - License Plate Operations - Delay Reissue										
04	0.00	570,079	0	0	570,079	0.00	570,079	0	0	570,079
DP 9054 - Cannery										
04	0.00	0	0	100,000	100,000	0.00	0	0	100,000	100,000
<b>Total</b>	<b>0.00</b>	<b>\$573,558</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$673,558</b>	<b>0.00</b>	<b>\$585,084</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$685,084</b>

### New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 9051 - SB 118 - License Plate Operations - Delay Reissue - The legislature added approximately \$1.1 million over the biennium for license plate operations. This adjustment represents a reduction from the executive present law budget to accommodate the provisions of SB 118, which delays the reissue of license plates into the 2009 biennium.

DP 9054 - Cannery - The legislature added \$100,000 in federal special revenue authority each year of the biennium for operation of the Montana Food Bank Network Cannery. The legislature made this appropriation contingent upon the receipt of federal funds specifically for cannery operations.

### Language

The legislature included the following contingency language:

"Item [Montana Food Bank Network Cannery] is contingent upon receipt of federal funds identified specifically for the purpose of funding cannery operations."

### Proprietary Rates

#### Program Description

The Montana Correctional Enterprise (MCE) Industry program includes furniture, upholstery, print, sign, and laundry operations at the Montana State Prison facility. In addition, telemarketing programs are operated at the regional and private prison locations around Montana.

The MCE Ranch and Dairy operation includes range cattle, dairy, crops, feedlot, and composting located at the Montana State Prison facility.

The MCE Vocational Education program operates a motor vehicle maintenance shop, Toyota cutaway operation, 2 x 4 lumber processing plant, and the Montana Food Bank cannery at the Montana State Prison Facility.

### Revenues and Expenses

Montana Correctional Enterprises (MCE) Industry revenues are derived from product sales to state and private customers. Operational needs, cash flow, economic return, customer orders, and product inventory levels determine the expenses. Overall revenue levels are dependant on marketing efforts, legislative restrictions, state agency purchases, retail outlet dealer sales, expansion and adjustment of the product line, continuation of the Certified Industry Program, private sector

complaints, private customer contracts, and the success of the programs at the Montana Women's Prison, regional, and private prisons.

MCE Ranch and Dairy revenues are based on the market value of products sold. Expenditures are dependant on operational needs, cash flow, economic return, weather conditions, product market prices, and discussions with the Ranch Advisory Committee.

MCE Vocational Education Motor Vehicle Maintenance (MVM) revenues are based on customer vehicle and equipment repair and maintenance needs. Toyota revenues are based on contracts with the Toyota Company for producing motor vehicle cut-aways and trainers. Revenues and the need for parts and supplies for the repairs and contract projects determine the expenditure levels. The MCE Vocational Education Food Bank revenues are derived from reimbursement of actual costs incurred.

### **Rate Explanation**

The MCE Industries rates for furniture, upholstery, print, and sign shops are based on competitive product pricing.

The MCE Industries laundry rates increased in fiscal year 2002 for the first time since the inception of the laundry program in 1996. MCE is not projecting any rate increase for the 2005 biennium. The current laundry rates are as follows:

- Montana State Prison and Treasure State Correctional Training Center - \$0.39 per pound
- Montana State Hospital - \$0.38 per pound
- Montana Developmental Center and Riverside Youth Correctional Facility - \$0.46 per pound.

The break-even cost for laundry operations is approximately \$.35 per pound without delivery costs. Any profit is maintained within the Industries account to be used for future laundry equipment replacement, as well as the overall Industries enterprise operation.

The Industries telemarketing rates are based on contracts with private companies.

MCE Ranch and Dairy rates are based on the current market prices of cattle, crops and dairy products.

MCE Vocational Education Motor Vehicle Maintenance (MVM) and Toyota pricing are based on the cost of parts and an hourly labor charge. The labor charge covers the cost of the four FTE associated with the MVM and Toyota operations.

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	202.85	0.00	0.00	202.85	0.00	0.00	202.85	202.85
Personal Services	7,745,087	600,701	47,543	8,393,331	608,724	204,658	8,558,469	16,951,800
Operating Expenses	1,854,618	10,177	0	1,864,795	17,223	0	1,871,841	3,736,636
Equipment	7,500	0	0	7,500	0	0	7,500	15,000
Benefits & Claims	8,040,196	0	0	8,040,196	0	0	8,040,196	16,080,392
Debt Service	9,699	0	0	9,699	0	0	9,699	19,398
<b>Total Costs</b>	<b>\$17,657,100</b>	<b>\$610,878</b>	<b>\$47,543</b>	<b>\$18,315,521</b>	<b>\$625,947</b>	<b>\$204,658</b>	<b>\$18,487,705</b>	<b>\$36,803,226</b>
General Fund	16,468,441	1,045,759	47,543	17,561,743	1,060,828	204,658	17,733,927	35,295,670
State/Other Special	518,667	(81,654)	0	437,013	(81,654)	0	437,013	874,026
Federal Special	669,992	(353,227)	0	316,765	(353,227)	0	316,765	633,530
<b>Total Funds</b>	<b>\$17,657,100</b>	<b>\$610,878</b>	<b>\$47,543</b>	<b>\$18,315,521</b>	<b>\$625,947</b>	<b>\$204,658</b>	<b>\$18,487,705</b>	<b>\$36,803,226</b>

### Program Description

The Juvenile Corrections Division is responsible for all state operated youth programs, including: Pine Hills Youth Correctional Facility for males located in Miles City, Riverside Youth Correctional Facility for females in Boulder, as well as statewide juvenile community corrections including parole services for youth released from state operated secure care facilities, youth transition center, specialized foster care services, interstate compact service for probation and parole in and out of state, juvenile detention licensing, monitoring and funding for state district probation placements, research and training for the division and other agencies, and administrative support services.

### Program Narrative

Juvenile Corrections Major Budget Highlights
<ul style="list-style-type: none"> <li>○ The legislative budget does not specifically include most executive decision packages; however, the legislature funded the department at a level approximately equal to the executive recommendation and included language allowing the department to reallocate funding as necessary. Therefore, it is assumed that most of the executive recommendations would be adopted</li> <li>○ Executive budget contained general fund decrease of \$1.5 million below base year expenditures, including: <ul style="list-style-type: none"> <li>○ \$2.0 million decrease in juvenile placement funds</li> <li>○ \$0.5 million increase to annualize Pine Hills Youth Correctional Facility expansion</li> </ul> </li> </ul>

**Funding**

The following table shows program funding, by source, for the base year and the 2005 biennium.

<b>Program Funding Table</b>						
Juvenile Corrections						
<u>Program Funding</u>	<u>Base</u>	<u>% of Base</u>	<u>Budget</u>	<u>% of Budget</u>	<u>Budget</u>	<u>% of Budget</u>
	<u>Fiscal 2002</u>	<u>Fiscal 2002</u>	<u>Fiscal 2004</u>	<u>Fiscal 2004</u>	<u>Fiscal 2005</u>	<u>Fiscal 2005</u>
01100 General Fund	\$ 16,468,441	93.3%	\$ 17,561,743	95.9%	\$ 17,733,927	95.9%
02034 Earmarked Alcohol Funds	25,523	0.1%	25,523	0.1%	25,523	0.1%
02916 Phs-Canteen	6,236	0.0%	6,236	0.0%	6,236	0.0%
02927 Phs Donations/I & I	257,115	1.5%	257,115	1.4%	257,115	1.4%
02970 Juvenile Plcmnt Cost Of Care	229,793	1.3%	148,139	0.8%	148,139	0.8%
03099 Phs-Esea Title I	45,941	0.3%	45,941	0.3%	45,941	0.2%
03315 Misc Federal Grants	397,504	2.3%	200,385	1.1%	200,385	1.1%
03530 93.658 - Iv-E Fost Care & Adp	<u>70,439</u>	<u>0.4%</u>	<u>70,439</u>	<u>0.4%</u>	<u>70,439</u>	<u>0.4%</u>
Grand Total	<u>\$ 17,657,100</u>	<u>100.0%</u>	<u>\$ 18,315,521</u>	<u>100.0%</u>	<u>\$ 18,487,705</u>	<u>100.0%</u>

Funding for the Juvenile Corrections Program is 96 percent general fund. General fund supports the administration of this program, youth parole services, transition centers, and the Riverside Youth Correctional Facility. State special revenue funds that support Pine Hills Youth Correctional Facility consist of earmarked alcohol tax funds to support alcohol treatment programs, interest and income from state lands dedicated to the support of Pine Hills, and canteen revenues. Reimbursement for costs of juvenile care help support juvenile placement. Miscellaneous federal grants also help support Pine Hills and juvenile placement costs.

Present Law Adjustments										
-----Fiscal 2004-----					-----Fiscal 2005-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					948,449					956,802
Vacancy Savings					(347,748)					(348,078)
Inflation/Deflation					11,317					18,363
Fixed Costs					(1,140)					(1,140)
<b>Total Statewide Present Law Adjustments</b>					<b>\$610,878</b>					<b>\$625,947</b>
<b>Grand Total All Present Law Adjustments</b>					<b>\$610,878</b>					<b>\$625,947</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

New Proposals										
-----Fiscal 2004-----					-----Fiscal 2005-----					
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan 05	0.00	47,543	0	0	47,543	0.00	204,658	0	0	204,658
<b>Total</b>	<b>0.00</b>	<b>\$47,543</b>	<b>\$0</b>	<b>\$0</b>	<b>\$47,543</b>	<b>0.00</b>	<b>\$204,658</b>	<b>\$0</b>	<b>\$0</b>	<b>\$204,658</b>

Descriptions of the above new proposals are included in the subprogram budget presentations.

## Sub-Program Details

## JUVENILE CORRECTIONS ADMIN 01

The Juvenile Corrections Administration division is responsible for all state operated youth programs, including Pine Hills Youth Correctional facility for males located in Miles City, Riverside Youth Correctional Facility for females in Boulder, and the Juvenile Community Corrections Bureau.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	3.68	0.00	0.00	3.68	0.00	0.00	3.68	3.68
Personal Services	119,238	112,624	47,543	279,405	112,061	204,658	435,957	715,362
Operating Expenses	35,541	137	0	35,678	466	0	36,007	71,685
Debt Service	2,307	0	0	2,307	0	0	2,307	4,614
<b>Total Costs</b>	<b>\$157,086</b>	<b>\$112,761</b>	<b>\$47,543</b>	<b>\$317,390</b>	<b>\$112,527</b>	<b>\$204,658</b>	<b>\$474,271</b>	<b>\$791,661</b>
General Fund	157,086	112,761	47,543	317,390	112,527	204,658	474,271	791,661
<b>Total Funds</b>	<b>\$157,086</b>	<b>\$112,761</b>	<b>\$47,543</b>	<b>\$317,390</b>	<b>\$112,527</b>	<b>\$204,658</b>	<b>\$474,271</b>	<b>\$791,661</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				122,284					121,699
Vacancy Savings				(9,660)					(9,638)
Inflation/Deflation				212					541
Fixed Costs				(75)					(75)
<b>Total Statewide Present Law Adjustments</b>				<b>\$112,761</b>					<b>\$112,527</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$112,761</b>					<b>\$112,527</b>

## Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

New Proposals										
-----Fiscal 2004-----						-----Fiscal 2005-----				
Sub Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
01	0.00	47,543	0	0	47,543	0.00	204,658	0	0	204,658
<b>Total</b>	<b>0.00</b>	<b>\$47,543</b>	<b>\$0</b>	<b>\$0</b>	<b>\$47,543</b>	<b>0.00</b>	<b>\$204,658</b>	<b>\$0</b>	<b>\$0</b>	<b>\$204,658</b>

## New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

## Sub-Program Details

## JUVENILE CORRECTIONS BUREAU 02

The Juvenile Corrections Bureau consists of statewide juvenile community corrections including parole services for youth released from state operated secure care facilities, youth transition center, specialized foster care services, interstate compact services for probation and parole in and out of state, juvenile detention licensing, monitoring and funding for state district probation placements, research and training for the division and other agencies, and administrative support services.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	21.04	0.00	0.00	21.04	0.00	0.00	21.04	21.04
Personal Services	869,056	148,151	0	1,017,207	148,304	0	1,017,360	2,034,567
Operating Expenses	491,160	114	0	491,274	416	0	491,576	982,850
<b>Total Costs</b>	<b>\$1,360,216</b>	<b>\$148,265</b>	<b>\$0</b>	<b>\$1,508,481</b>	<b>\$148,720</b>	<b>\$0</b>	<b>\$1,508,936</b>	<b>\$3,017,417</b>
General Fund	1,171,747	336,734	0	1,508,481	337,189	0	1,508,936	3,017,417
Federal Special	188,469	(188,469)	0	0	(188,469)	0	0	0
<b>Total Funds</b>	<b>\$1,360,216</b>	<b>\$148,265</b>	<b>\$0</b>	<b>\$1,508,481</b>	<b>\$148,720</b>	<b>\$0</b>	<b>\$1,508,936</b>	<b>\$3,017,417</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				190,535					190,696
Vacancy Savings				(42,384)					(42,392)
Inflation/Deflation				114					416
<b>Total Statewide Present Law Adjustments</b>				<b>\$148,265</b>					<b>\$148,720</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$148,265</b>					<b>\$148,720</b>

## Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.



## Sub-Program Details

**RIVERSIDE YOUTH CORRECTIONAL FACILITY 03**

The Riverside Institution, located in Boulder, is a detention facility for juvenile female offenders. The program places an emphasis on offenders accepting responsibility for their actions and gaining individual competencies that will help them avoid re-offending. The treatment programs include education, counseling, personal growth activities, and parental involvement. This facility has a capacity for an average daily population of 18. The average daily population in fiscal 2002 was 16 at a cost per day of \$208.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	25.00	0.00	0.00	25.00	0.00	0.00	25.00	25.00
Personal Services	1,039,431	(27,763)	0	1,011,668	(25,145)	0	1,014,286	2,025,954
Operating Expenses	211,469	1,649	0	213,118	2,458	0	213,927	427,045
Equipment	7,500	0	0	7,500	0	0	7,500	15,000
<b>Total Costs</b>	<b>\$1,258,400</b>	<b>(\$26,114)</b>	<b>\$0</b>	<b>\$1,232,286</b>	<b>(\$22,687)</b>	<b>\$0</b>	<b>\$1,235,713</b>	<b>\$2,467,999</b>
General Fund	1,212,997	19,289	0	1,232,286	22,716	0	1,235,713	2,467,999
State/Other Special	19,657	(19,657)	0	0	(19,657)	0	0	0
Federal Special	25,746	(25,746)	0	0	(25,746)	0	0	0
<b>Total Funds</b>	<b>\$1,258,400</b>	<b>(\$26,114)</b>	<b>\$0</b>	<b>\$1,232,286</b>	<b>(\$22,687)</b>	<b>\$0</b>	<b>\$1,235,713</b>	<b>\$2,467,999</b>

Present Law Adjustments									
	-----Fiscal 2004-----					-----Fiscal 2005-----			
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				14,391					17,118
Vacancy Savings				(42,154)					(42,263)
Inflation/Deflation				1,649					2,458
<b>Total Statewide Present Law Adjustments</b>				<b>(\$26,114)</b>					<b>(\$22,687)</b>
<b>Grand Total All Present Law Adjustments</b>				<b>(\$26,114)</b>					<b>(\$22,687)</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

## Sub-Program Details

## TRANSITION CENTERS 04

The youth transition center serves as placement for youth prior to their return into the community. Program components include counseling, community services, education, and employment. An average of six beds were full in fiscal 2002.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	18.28	0.00	0.00	18.28	0.00	0.00	18.28	18.28
Personal Services	598,415	5,589	0	604,004	7,006	0	605,421	1,209,425
Operating Expenses	135,636	686	0	136,322	3,175	0	138,811	275,133
<b>Total Costs</b>	<b>\$734,051</b>	<b>\$6,275</b>	<b>\$0</b>	<b>\$740,326</b>	<b>\$10,181</b>	<b>\$0</b>	<b>\$744,232</b>	<b>\$1,484,558</b>
General Fund	723,350	16,976	0	740,326	20,882	0	744,232	1,484,558
State/Other Special	10,701	(10,701)	0	0	(10,701)	0	0	0
<b>Total Funds</b>	<b>\$734,051</b>	<b>\$6,275</b>	<b>\$0</b>	<b>\$740,326</b>	<b>\$10,181</b>	<b>\$0</b>	<b>\$744,232</b>	<b>\$1,484,558</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				30,758					32,233
Vacancy Savings				(25,169)					(25,227)
Inflation/Deflation				686					3,175
<b>Total Statewide Present Law Adjustments</b>				<b>\$6,275</b>					<b>\$10,181</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$6,275</b>					<b>\$10,181</b>

## Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

## Sub-Program Details

**PINE HILLS YOUTH CORRECTIONAL FACILITY 05**

The Pine Hills Youth Correctional Facility located in Miles City, houses male juvenile offenders and provides habilitative services. In fiscal 2002, the capacity increased from 120 beds to 144. The expansion has allowed the facility to provide residential sex offender and chemical dependency programs. The average daily population in fiscal 2002 was 105 at a cost of \$144 per day.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	134.85	0.00	0.00	134.85	0.00	0.00	134.85	134.85
Personal Services	5,118,947	362,100	0	5,481,047	366,498	0	5,485,445	10,966,492
Operating Expenses	980,812	7,591	0	988,403	10,708	0	991,520	1,979,923
Benefits & Claims	138,861	0	0	138,861	0	0	138,861	277,722
Debt Service	7,392	0	0	7,392	0	0	7,392	14,784
<b>Total Costs</b>	<b>\$6,246,012</b>	<b>\$369,691</b>	<b>\$0</b>	<b>\$6,615,703</b>	<b>\$377,206</b>	<b>\$0</b>	<b>\$6,623,218</b>	<b>\$13,238,921</b>
General Fund	5,520,504	559,999	0	6,080,503	567,514	0	6,088,018	12,168,521
State/Other Special	340,170	(51,296)	0	288,874	(51,296)	0	288,874	577,748
Federal Special	385,338	(139,012)	0	246,326	(139,012)	0	246,326	492,652
<b>Total Funds</b>	<b>\$6,246,012</b>	<b>\$369,691</b>	<b>\$0</b>	<b>\$6,615,703</b>	<b>\$377,206</b>	<b>\$0</b>	<b>\$6,623,218</b>	<b>\$13,238,921</b>

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				590,481					595,056
Vacancy Savings				(228,381)					(228,558)
Inflation/Deflation				8,656					11,773
Fixed Costs				(1,065)					(1,065)
<b>Total Statewide Present Law Adjustments</b>				<b>\$369,691</b>					<b>\$377,206</b>
<b>Grand Total All Present Law Adjustments</b>				<b>\$369,691</b>					<b>\$377,206</b>

**Present Law Adjustments**

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

## Sub-Program Details

**JUVENILE PLACEMENT FUNDS 06**

Juvenile placement funds are used to place youth under the supervision of the Department of Corrections into private treatment facilities. Over 1,026 youth were served with juvenile placement funds in fiscal 2002. Each judicial district has a Youth Placement Committee which functions as a screening committee for all juvenile offenders referred to as “out-of-home” placements, and makes recommendations to the Youth Court as to the most appropriate and cost-effective placement. The juvenile placement funds are allocated to judicial districts. In addition, \$1.0 million is placed in a cost containment fund each year. The cost containment panel determines the distribution of those funds.

Sub-Program Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
Benefits & Claims	7,901,335	0	0	7,901,335	0	0	7,901,335	15,802,670
<b>Total Costs</b>	<b>\$7,901,335</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,901,335</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,901,335</b>	<b>\$15,802,670</b>
General Fund	7,682,757	0	0	7,682,757	0	0	7,682,757	15,365,514
State/Other Special	148,139	0	0	148,139	0	0	148,139	296,278
Federal Special	70,439	0	0	70,439	0	0	70,439	140,878
<b>Total Funds</b>	<b>\$7,901,335</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,901,335</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,901,335</b>	<b>\$15,802,670</b>